

Post-truth India

The Prime Minister's year-end speech was a classic case of demagoguery.

Prime Minister Narendra Modi's rise as the tallest leader of the Bharatiya Janata Party (BJP) and the head of the government of the world's largest democracy had much to do with his declaiming abilities, especially when these were compared and contrasted with those of his predecessors. After Jawaharlal Nehru, Indira Gandhi and Atal Bihari Vajpayee, no Prime Minister of India has perhaps displayed the talent to deliver words in an impassioned and rhetorical manner that Modi has in recent years. But the problem arises when an orator becomes a demagogue. When the word demagogue was first used in ancient Greece and Rome, it simply described a leader who championed the cause of common people. Over time, the word acquired a distinctly negative connotation to mean a political personality who plays up to popular prejudices rather than use rational arguments to seek support and gain power.

The 31 December 2016 address to the nation by Modi was a classic case of demagoguery. The 45-minute speech, delivered first in Hindi and then in English, was filled with half-truths that were clearly aimed at assuaging the huge hardships that had been caused to virtually each and every citizen of the country by his arbitrary and sudden decision to cancel the legal tender status of high-denomination currency notes on 8 November. The series of announcements that the Prime Minister made towards the end of his speech, almost akin to a "mini budget," is clear evidence of his unstated intentions. By announcing rebates and waivers for low-cost housing and farm loans; credit limit increases and tax incentives for small businesspersons and traders; the doubling of the corpus of funds to be used for irrigation projects under various programmes of the National Bank for Agriculture and Rural Development; the move to deposit cash directly into the bank accounts of pregnant women; and the higher interest rates to be given to senior citizens on their bank deposits—all point towards the segments of the population that Modi was seeking to target in his New Year eve speech. His address thus tacitly acknowledged that those who have been hurt the most by demonetisation and the continuing shortage of currency notes across the country are farmers, women, the elderly, the homeless and those running small businesses.

The demagoguery came in the form of a strong dose of unsubstantiated statements. Modi claimed that excess cash in the system was fuelling inflation. He alleged that "nations similar to us do not have the amount of currency that we had." He also

claimed that "over the last 10 to 12 years, ₹500 and ₹1,000 currency notes were used less for legitimate transactions and more for a parallel economy." None of these claims stand up to close scrutiny, as any of Modi's economic advisers will tell him. The half-truths were in the form of claiming that the government is "introducing" a scheme for depositing ₹4,000 into the bank accounts of pregnant women and the conversion of three crore Kisan Credit Cards (or KCCs that can be used only in a bank) to RuPay Debit Cards (that can be used anywhere). The facts are different. There is already a pilot project in place to deposit funds in the bank accounts of pregnant women (named after Indira Gandhi, much to Modi's chagrin) under the National Food Security Act which is yet to be universalised due to inadequate budgetary support from the union government. Moreover, the scheme to convert KCCs into RuPay cards is four years old.

It is particularly interesting that Modi argued that the "fact that so much of the cash in circulation has been deposited in the banking system indicates the success of this mission." On the contrary, until a few weeks ago, BJP supporters and government spokespersons had been speculating about the large amounts of black money which would not be returned to banks and that the worthless paper which would remain in the hands of the corrupt would lead to a windfall gain for the government which, in turn, would then splurge on welfare schemes for the poor. Nothing of the sort is expected to happen. In fact, the slowdown in the functioning of the economy has already destroyed livelihoods—a fact that President Pranab Mukherjee has conceded and which the government is trying hard to play down. Instead of creating new employment opportunities through its much-touted "Make in India" programme, the rate of growth of the index of industrial production has fallen for seven out of the 12 months between November 2015 and October 2016. Since then, the state of the country's economy has not improved. There is every reason to believe that the situation has deteriorated on account of demonetisation with economic activities having declined in many sectors.

The short point is that the Prime Minister's rhetoric cannot conceal the grim reality on the ground. It suits him to paint the picture in binary terms. Either you are corrupt or you are honest, and if you have not supported demonetisation then you must be corrupt. This is in keeping with his past record of reinforcing popular prejudices by dividing the country into people who are either good or bad,

line that divides a demagogue in a democracy to an authoritarian ruler can often be rather thin. In fact, the contemporary history of the world is replete with examples of many such leaders.